GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2850
ANSWERED ON:12.12.2006
EXPORT PROMOTION SCHEMES
Topdar Shri Tarit Baran

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the schemes other than SEZ through which various incentives/ concessions are extended for export promotion in country;

(b) total revenue earned through the above schemes during each of the last three years;

(c) the number of cases reported for misuse of such schemes and amount involved during the said period; and

(d) the steps taken by the Government to check the misuse of such schemes?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) Various schemes (other than SEZ) through which incentives/concessions are extended for export promotion include Duty Neutralization Schemes such as Advance Authorisation, Duty Free Import Authorisation, EOU/EHTP/STP Scheme, DEPB and Drawback Scheme. That apart duty concession is allowed through EPCG Scheme. We also have in place various reward schemes which include Served From India, Vishesh Krishi and Gram Udyog Yojana, Focus Market Scheme, Focus Product Scheme and Target Plus Scheme (since withdrawn). The details of the schemes are given in the book titled `Foreign Trade Policy, 2004-09`, a statutory publication, available in the Parliament library.

(b)Through the schemes revenue is foregone in the form of duty concession/ neutralization/duty scrips allowed and the question of revenue earnings through the same does not arise.

(c)During 2003-04, 496 cases of misuse involving an amount of Rs.81,882.05 lakh have been reported and show-cause notices have been issued. Similarly, during 2004-05 & 2005-06, show-cause notices have been issued in 606 cases and 209 cases involving an amount of Rs.1,81,352.65 lakhs and Rs.94,720.77 lakhs respectively.

(d)There are in-built safeguards in the schemes which include actual user condition in case of Advance Authorisation & EPCG Scheme and value caps fixed in respect of DEPB & Drawback Scheme. That apart regular monitoring and putting erring exporters in the Denied Entity List and initiating action under Foreign Trade (Development & Regulation) Act, 1992 is resorted to.